

VZCZCXRO9932  
OO RUEHGH  
DE RUEHUL #0005/01 0040546  
ZNR UUUUU ZZH  
O 040546Z JAN 10  
FM AMEMBASSY SEOUL  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6610  
RUCPDO/USDOC WASHDC 9565  
RUEATRS/DEPT OF TREASURY WASHINGTON DC  
RUEAIIA/CIA WASHINGTON DC//DDI/OEA//  
RHHMUNA/USCINCPAC HONOLULU HI//FPA//  
RUEKJCS/SECDEF WASHINGTON DC  
RUEKJCS/JOINT STAFF WASHINGTON DC  
RUEKDIA/DIA WASHINGTON DC//DB-Z//  
RUEHMO/AMEMBASSY MOSCOW 0658  
RUEHBJ/AMEMBASSY BEIJING 7107  
RUEHKO/AMEMBASSY TOKYO 7167  
RUEHGH/AMCONSUL SHANGHAI 1648  
RUEHSH/AMCONSUL SHENYANG 5479  
RUEHIN/AIT TAIPEI 4404  
RUEHGP/AMEMBASSY SINGAPORE 7615  
RUCNDT/USMISSION USUN NEW YORK 1886  
RUEHGV/USMISSION GENEVA 3187  
RUEHLO/AMEMBASSY LONDON 2262  
RUEHFR/AMEMBASSY PARIS 2869

UNCLAS SECTION 01 OF 05 SEOUL 000005

SIPDIS

E.O. 12958: N/A  
TAGS: [PREL](#) [PGOV](#) [MARR](#) [ECON](#) [KPAO](#) [KS](#) [US](#)  
SUBJECT: SEOUL - PRESS BULLETIN; JANUARY 4, 2010

TOP HEADLINES

-----

Chosun Ilbo  
All Roads Lead to Asia; Wealth Moves  
from West to East in 21st Century

JoongAng Ilbo  
Competent KAIST Professors May Keep Titles Longer

Dong-a Ilbo  
Signs of Holding 3rd Inter-Korean Summit Appear

Hankook Ilbo  
Political Reform Needed; National Assembly  
Should Become a "Hall of Healing Conflicts"

Hankyoreh Shinmun  
57 Percent Support ROK-led Inter-Korean Summit... President Lee's  
Job Approval Rating Is 56.7 Percent

Segye Ilbo  
World's Tallest Building Burj Dubai Opens in UAE Today

Seoul Shinmun  
Low Birth Rate Hinders ROK's Growth

DOMESTIC DEVELOPMENTS

-----

North Korea called on the need to "open the path for improving relations between the two Koreas" in the New Year's message carried in a editorial in three North Korean newspapers, increasing the prospects for an inter-Korean summit. (Dong-a, Hankook, Hankyoreh, Seoul, Segye) Experts say that a summit, if realized, may take place in March or April at the earliest (Hankook) or around the August 15 Liberation Day or the Chuseok holidays. (Dong-a)

UN Special Rapporteur on North Korean Human Rights Vitit Muntarbhorn is scheduled to arrive in Seoul on January 10 for a seven-day visit, and U.S. Special Envoy for North Korea Human Rights Issues Robert King will also visit Seoul on January 11. (Chosun, Hankook, Segye)

## INTERNATIONAL NEWS

-----

Victor Cha, the Center for Strategic and International Studies (CSIS) Korea Chair, said in a January 2, local time, interview with JoongAng Ilbo in Washington, that North Korean leader Kim Jong-il would like to meet with businessman-turned-President Lee Myung-bak and that the KORUS FTA will not likely be ratified until November. (JoongAng)

The U.S. and Britain closed their embassies in Yemen on January 3 in the face of al-Qaeda threats. (All)

## MEDIA ANALYSIS

-----

### -N. Korea

-----

Most ROK media covered North Korea's New Year's message calling on the need to "open the path for improving relations between the two Koreas." Conservative Dong-a Ilbo speculated that as North Korea has shifted to a softer mode, it will brighten the prospects for an inter-Korean summit, and a summit, if realized, will take place around the August 15 Liberation Day or the Chuseok holidays (Sept. 21-23). Meanwhile, moderate Hankook Ilbo reported that the summit may be held in March or April at the earliest.

SEOUL 00000005 002 OF 005

Right-of-center JoongAng Ilbo had an interview with Victor Cha, the Center for Strategic and International Studies (CSIS) Korea Chair, in Washington on January 2. Mr. Cha was reported to have said that North Korean leader Kim Jong-il, who feels more friendly towards businessmen than politicians, would like to meet with businessman-turned-President Lee Myung-bak, raising the possibility of an inter-Korean summit.

Conservative Chosun Ilbo editorialized: "North Korea, (in its New Year's message,) may have adopted a conciliatory stance toward Seoul in order to make progress in its relations with the ROK, a precondition set by the U.S. for an improvement in the U.S.-North Korea relations and for higher-level bilateral dialogue."

Moderate Hankyoreh Shinmun editorialized: "North Korea's (New Year's message) hints at two things: the North Korean economy is in difficulty; and for the North, stability inside and outside the country is very important now. ... The Six-Party nations should take advantage of this situation to activate discussions about denuclearization. ... We should also positively consider negotiations about a peace regime (on the Korean Peninsula), which the North emphasizes. Since North Korea's nuclear dismantlement is directly linked with its security guarantee, denuclearization efforts and the establishment of a peace regime should go hand in hand. For the U.S., which must consider domestic public opinion, the establishment of a peace regime may be less burdensome than a complete normalization of relations with the North."

### -U.S. Anti-Terrorism Efforts

-----

All newspapers reported on the closure of the U.S. and U.K. embassies in Yemen in the face of al-Qaeda threats. Dong-a Ilbo picked up U.S. President Obama's statement that "I think it is a top priority for us to stamp out Al Qaeda once and for all." JoongAng Ilbo interpreted the U.S.'s embassy closure as a prelude to its war on terrorism.

Conservative Chosun Ilbo reported that Washington had sent David Petraeus, head of the U.S. Central Command, to Yemen to deliver President Obama's personal letter to Yemeni President Ali Abdullah Saleh and to discuss the issue of al-Qaeda in Yemen. On its inside page, the daily carried a headline, "After Passage of Health Care Bill, Obama Aims at 'War on Terror' Again." Hankook Ilbo carried a headline, "Obama Officially Blames al-Qaeda Affiliate for Airliner Attack for the First Time."

HOW TO ENGAGE N. KOREA IN DIALOGUE  
(Chosun Ilbo, January 4, 2010, Page 31)

In his New Year's address on Monday, President Lee Myung-bak will unveil a plan to improve relations with North Korea. Unification Minister Hyun In-taek in a policy briefing to the president last Thursday said, "All kinds of dialogue are possible, including those involving the highest officials." At the start of the New Year, there are signs of a potential thaw in inter-Korean relations, which had been virtually frozen during the first two years of the Lee Administration. There is even talk of an inter-Korean summit.

In a New Year's message on Friday carried by the official Korean Central News Agency, North Korea said, "It is the consistent stand of (North Korea) to establish a lasting peace framework on the Korean Peninsula and make it nuclear-free through dialogue and negotiations." The Chosun Sinbo, a North Korean mouthpiece in Japan, said the message was a precursor to "radical changes" this year. It was markedly different from its New Year's message in 2009, when North Korea called the Lee Administration "fascist" and called on South Koreans to rebel against their government.

This is not the first time that North Korea shifted its stance to fit its needs. During the first half of 2009, the North was busy

SEOUL 00000005 003 OF 005

testing missiles and nuclear weapons, only to turn around during the second half and start making peace overtures to the U.S. and South Korean governments. North Korea has always used provocation and dialogue depending on the situation, so there is no need to get excited. Still, the shift is worth noting.

In the title for its New Year's message, North Korea called on its people to speed up the development of the country's light manufacturing and farming industries to achieve a "decisive transformation." Those words demonstrate the seriousness of North Korea's economic situation. Public anger over the revaluation of the North Korean currency is said to show few signs of abating, and the third-generation dynastic transfer of power to Kim Jong-un does not seem to be going smoothly while the health of leader Kim Jong-il remains in question. These troubles are probably the reason why the North is seeking improved ties with South Korea and the U.S.

North Korea said in its message, "The fundamental task for ensuring peace and stability on the Korean Peninsula and in the rest of Asia is to put an end to the hostile relationship with the U.S." It may have adopted a conciliatory stance toward Seoul in order to make progress in its relations with the ROK, a precondition set by the U.S. for an improvement in the U.S.-North Korea relations and for higher-level bilateral dialogue. North Korea will use dialogue with Washington to demand a peace treaty, which in turn could lead to revisions in the South Korea-U.S. defense pact and cause changes in the status of American forces in the South.

The uncertainties and complexities in inter-Korean ties could lead to major opportunities, but also carry heavy risks. Seoul must not regard a summit as a goal in itself but as a means to address the opportunities and risks in inter-Korean relations.

(This is a translation provided by the newspaper, and it is identical to the Korean version.)

U.S. KOREA'S RESPONSE TO NORTH KOREA'S TRANSITION AND IMPROVEMENTS IN INTER-KOREAN RELATIONS  
(Hankyoreh Shinmun, January 4, 2010, Page 31)

Unlike the previous year, North Korea avoided criticizing South Korea in its joint New Year's Day editorial issued on Friday. Instead, its three major newspapers published an editorial stating North Korea's intention to improve inter-Korean relations. At the

same time, the editorials (spoke of a desire to) end antagonistic relations with the U.S. and emphasized the establishment of a peace regime and denuclearization. This indicates (that North Korea is taking) a flexible position and showing its willingness to expand the dialogue and negotiations that have been taking shape since the summer of 2009.

As indicated by the editorial headlines (in the three newspapers), "Let Us Achieve a Definitive Transition in the People's Livelihood by Spurring Light Industry and Agriculture," the focus was on economic issues. This hints at two things. First, the North Korean economy is in difficulty. In particular, due to the recent currency reforms, the discontent among residents is likely to grow unless (residents receive greater access to) necessary supplies (of household goods.) Second, for the North, stability inside and outside the country is very important now. The Workers' Party of Korea celebrates its 65th anniversary this fall and there is a possibility that the country's succession issues might be formalized at that time. Advancements in relations with South Korea and the U.S. reflect the present internal situation within North Korea.

The Six-Party nations should take advantage of this situation to activate discussions about denuclearization. If they show themselves to be willing to provide the help North Korea needs right now, progress towards talks might proceed relatively smoothly. We should also positively consider negotiations about a peace regime (on the Korean Peninsula), which the North emphasizes. Since North Korea's nuclear dismantlement is directly linked with its security guarantee, denuclearization efforts and the establishment of a peace

SEOUL 00000005 004 OF 005

regime should go hand in hand. For the U.S., which must consider domestic public opinion, the establishment of a peace regime may be less burdensome than a complete normalization of relations with the North.

Now more than ever, we need a change in the South Korean government's policy approach. Past experience has shown that inter-Korean relations and the nuclear issue move in tandem with one another, and improved inter-Korean relations would have the effect of encouraging discussions on a peace regime.

Yet by setting resolution of the nuclear issue as a precondition for improving inter-Korean relations, the Lee Administration succeeds only in (limiting progress) on inter-Korean relations and denuclearization and in pushing South Korea to the periphery of international discussions pertaining to the future of the Korean peninsula. The Unification Ministry's 2010 policy plan contains no mention of resolving pending issues such as the resumption of the Mt. Kumgang and Kaesong tourism ventures, or of increasing inter-Korean exchange and cooperation efforts. Given these circumstances, an inter-Korean summit would be unlikely to produce any real results even if one were scheduled to take place.

This 2010 year will mark a decisive turning point in discussions on issues affecting the Korean Peninsula. The U.S., China and Japan are all preparing for this, and North Korea is likewise responding favorably. The South Korean government must not remain caught up in its rigid thinking and allow this chance to pass it by.

(This is a translation provided by the newspaper, and it is identical to the Korean version.)

TIME TO DISCUSS REVISING ROK-U.S. ATOMIC ENERGY AGREEMENT  
(JoonAng Ilbo, January 4, Page 30)

After the ROK won a deal from the United Arab Emirates (UAE) to build nuclear power plants, it has become necessary for the ROK to revise the ROK-U.S. Atomic Energy Agreement. At a meeting held at the National Assembly late last year, Minister of Knowledge Economy Choi Kyung-hwan said that control of raw materials and reprocessing provisions in the ROK-U.S. Atomic Energy Agreement are "excessive." Previously, in July 2009, some ROK politicians called for nuclear sovereignty. With the agreement expiring in 2014, there is an outpouring of opinions on this issue.

A call to revise the ROK-U.S. Atomic Energy Agreement is reasonable in economic and environmental aspects. Most of all, since high-level nuclear wastes stored in a nuclear power plant will reach a saturation level in 2016, we should urgently come up with a plan to reprocess spent fuel. To this end, ROK nuclear scientists developed a new technology called pyroprocessing and eagerly wait for a revision of the agreement. With the adoption of the new technology, most of the spent nuclear fuel will be recycled to generate nuclear power. This will reduce high-level nuclear wastes to less than one twentieth. In addition, with this technology, it will be hard to extract plutonium, which is used for nuclear weapons. Therefore, we can minimize costs and side effects of nuclear power generation.

Even though the pyroprocessing technology has paved the way for peaceful use of nuclear power, the agreement prevents the ROK from reprocessing (spent fuel.) The ROKG should make all-out efforts to devise a strategy to persuade the USG to revise the agreement.

However, an argument for nuclear armament, which some ROK politicians are raising, is very dangerous. This would ruin the ROK's international status, potentially imperiling its survival. The ROK cannot live isolated from the international community like North Korea. In particular, we should be wary of this argument because it may even hamper our efforts to utilize nuclear power peacefully.

SEOUL 00000005 005 OF 005

STEPHENS